



Women's economic capability and leadership

The Government's careful budget management and plan for a stronger economy are ensuring Australian women in all circumstances have access to greater economic opportunities that will provide them with the security to make meaningful choices at every stage of their lives.

Supporting economic choice and opportunity

The Government's Personal Income Tax Plan will make personal income taxes lower, fairer and simpler for all Australians, including women. Based on 2015-16 ATO Taxation Statistics, about 86 per cent of female taxpayers had taxable income of \$90,000 or less, and that is where tax relief is focused. In November 2017, the average total weekly earnings for men was \$1,427.80 (annual \$74,500), while the average total weekly earnings for women was \$960.60 (annual \$50,100). From 1 July 2018, the Government will provide targeted tax relief of up to \$530 per year through a new tax offset for the 2018-19, 2019-20, 2020-21 and 2021-22 income years. The new offset is in addition to the low income tax offset.

The Government will help ensure that incomes earned by Australians are protected from 'bracket creep'. From 1 July 2018, the Government will increase the top threshold of the 32.5 per cent tax bracket from \$87,000 to \$90,000. From 1 July 2022, the Government will further increase the top threshold of the 32.5 per cent tax bracket to \$120,000.

In addition, from 1 July 2022, the benefits of the new tax offset will be locked in by increasing the top threshold of the 19 per cent tax bracket from \$37,000 to \$41,000 and increasing the low income tax offset from \$445 to \$645.

The Government will make personal taxes simpler and flatter. From 1 July 2024, the Government will increase the top threshold of the 32.5 per cent tax bracket to \$200,000, removing the 37 per cent tax bracket completely.

TAX RELIEF FOR WORKING AUSTRALIANS

Isabella manages a retail business and earns \$90,000 in the 2018-19 financial year.

- With 2017-18 tax rates and thresholds, Isabella would have paid tax of \$22,732.
- With step 1 and the \$90,000 threshold change of step 2 of the plan in place, Isabella receives total tax relief of \$665 for 2018-19. This comprises a \$530 tax offset received after Isabella lodges her tax return and \$135 in 2018-19 from the increase in the top threshold of the 32.5 per cent tax bracket from \$87,000 to \$90,000. Isabella will continue to benefit from the plan in future years.

Jobs and Market Fund

The Government will provide \$64.3 million to establish a Jobs and Market Fund to grow the National Disability Insurance Scheme workforce and service providers.

Women make up almost 80 per cent of employees in the health, social assistance and disability care industry. The disability workforce is expected to more than double as the National Disability Insurance Scheme is

fully implemented. This means up to 90,000 additional jobs across Australia by 2019-20. In addition, up to 40,000 service providers may be required by 2019-20.

This measure is expected to provide greater business and employment opportunities for women, particularly in regional and rural areas and for Aboriginal and Torres Strait Islander women.

Preparing women for the jobs of the future

The Government is building a smart economy and is ensuring Australian women are well-equipped to make the most of emerging employment opportunities and pursue careers in the growth industries of the future.

21st Century Medical Industry Growth Plan

A new 21st Century Medical Industry Growth Plan will deliver \$1.3 billion to fund revolutionary genomic research projects and the Government will back Australian scientists through the largest single investment from the Medical Research Future Fund to date of \$500 million over 10 years.

The Government's \$2.4 billion investment to boost Australia's research, science and technology capabilities will help build the industries and jobs Australia needs to compete internationally, build a smarter economy and give Australians the skills they need to prosper.

Science, Technology, Engineering and Maths (STEM)

The Women in STEM package will provide \$4.5 million over four years to encourage more women and girls to pursue STEM education and careers. The new Women in Science Ambassador will help promote STEM to girls in schools and a STEM Choices resources kit will help girls to understand the benefits and opportunities that studying in a STEM field can bring.

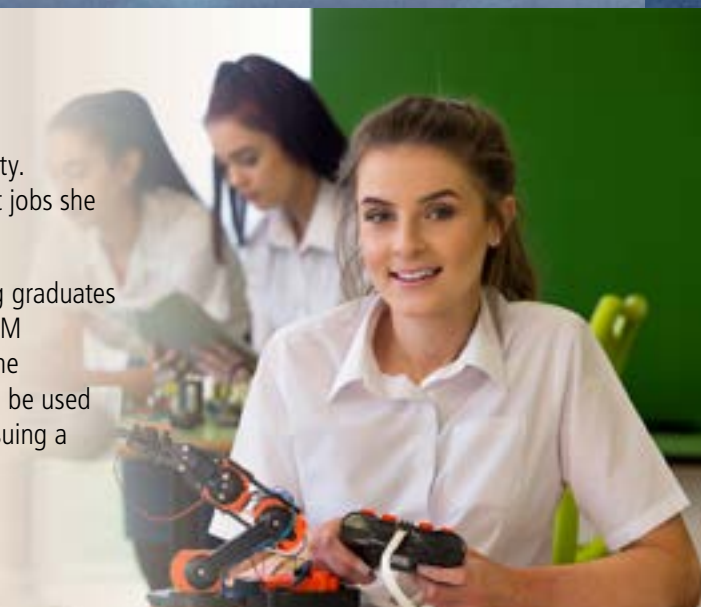
A 10-year Plan for Women in Science will provide a long-term strategy for improving women's representation in STEM careers and education.

The Government is building on previous investment through the \$1.1 billion National Innovation and Science Agenda (NISA). The NISA includes a \$112.1 million initiative to promote digital literacy and STEM in school-aged children and to increase the participation of women in science institutions and innovative businesses.

THE NEXT GENERATION OF WOMEN IN STEM

Cynthia is completing Year 12 and is deciding what to study at university. She achieves good marks in maths and physics but doesn't know what jobs she would be suited to.

Her maths teacher knows that currently only 14 per cent of engineering graduates are female, so Cynthia may not consider studying engineering. The STEM Choices resources kit, designed to help school-aged girls understand the benefits and opportunities that studying in a STEM field can bring, can be used by Cynthia's teachers and parents to encourage her to think about pursuing a degree in engineering.





Supporting parents to work

Flexible working arrangements are a driving factor for many parents when making decisions about paid work, especially those returning to paid work after time out of the workforce caring for children.

Importantly, the Government is delivering on its commitment to provide affordable and accessible child care to working families. From 2 July 2018, the Government will implement the \$2.5 billion New Child Care Package to provide more support for families, targeted at low- to middle-income earners.

The Package includes the Child Care Safety Net which will give the most vulnerable children a strong start, while supporting parents into work. The \$1.2 billion Child Care Safety Net includes: targeted additional fee assistance to families and children facing barriers in accessing affordable child care; grants to child care services in disadvantaged, regional and remote communities; and support to allow children with additional needs, particularly those with disability, to access mainstream childcare services.



ParentsNext

The ParentsNext program helps eligible parents prepare for employment by the time their children go to school. This includes assisting parents to identify education and employment goals and develop a pathway to achieve their goals. Participants in the ParentsNext Intensive Stream may also be able to access a range of other support including a participation fund, wage subsidies and relocation assistance.

Since April 2016, ParentsNext has assisted eligible parents with young children across 10 Local Government Areas. From July 2018, the Government will roll out ParentsNext nationally, to support 68,000 parents every year who have young children and are at risk of long-term welfare dependency by helping them to create a path to employment.

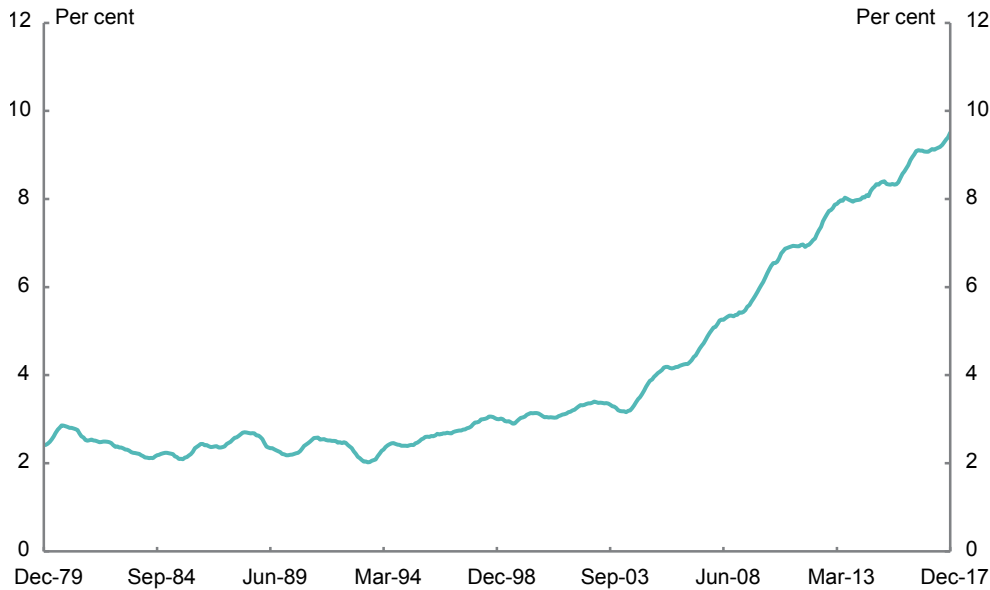
With approximately 96 per cent of participants expected to be women, including around 10,000 Aboriginal and Torres Strait Islander women, the program will complement other Government initiatives to increase female participation in the workforce.

Recognising the value of older workers

Older workers have considerable skills and experience that can benefit workplaces around Australia. Through the 2018-19 Budget's More Choices for a Longer Life Package, the Government will provide practical opportunities to help mature age women who wish to remain in the workforce to capitalise on Australia's strong labour market conditions.

Under this Government, the participation rate of women aged over 65 has increased from 8 per cent in 2013 to 9.5 per cent in 2017.

Chart 1: Participation rate of women aged 65 and over



Note: Participation rate calculated as a 12 month moving average of original data.

Source: ABS cat. no. 6291.0.55.001.

As part of the More Choices for a Longer Life Package, the Government is introducing a number of measures to promote participation of older Australians in the workforce.

- The Pension Work Bonus will be extended to allow pensioners to earn more income without reducing their Age Pension. An expanded Pension Work Bonus will allow age pensioners to earn up to \$300 per fortnight (up from \$250) without reducing their pension payments. The Bonus will also be extended to the self-employed, who will now be able to earn up to \$7,800 per year without reducing their pension payments.
- Mature age women will also benefit from expanding access to the Restart Wage Subsidy, offering an incentive of up to \$10,000 to encourage businesses to hire and retain mature age employees.
- Women aged 45 to 70 will benefit from the Skills Checkpoint for Older Workers Program. The Checkpoint will provide advice on relevant skills and training to help those building on their current careers or transitioning into jobs in new industries.





Women in Small Business

As of March 2018, there were approximately 700,000 women who owned and managed a business. That accounts for around one-third of all owner managers.

The Government is providing women with the tools to become their own bosses through key economic infrastructure like the National Broadband Network (NBN). Women in NBN regions are grasping this opportunity. According to research commissioned by NBN Co, on current trends the NBN will help up to 52,000 additional Australian women to be self-employed when fully rolled out.

The More Choices for a Longer Life Package will also provide \$17.7 million over four years to expand the Entrepreneurship Facilitators program to an additional 20 locations, offering mentoring and support to mature age women who are considering establishing their own business.

Skilling Australians

The Government recognises the importance of giving Australians the skills they need to find work. The Government is providing an additional \$250 million for the Skilling Australians Fund to equip Australians with the skills that businesses need.

Spending from the Fund will focus on skills priorities, including training in occupations in high demand that currently rely on skilled migration, future growth industries, and rural and regional areas. There will also be a strong focus on apprenticeships and traineeships.

For those updating their skills, the Government will contribute up to \$2,000 through the Skills and Training Incentive in the More Choices for a Longer Life Package. Women will be able to work with Skills Checkpoint assessors to source training such as short vocational educational courses and digital literacy.

Improving financial capability

Investing in building financial capability in women will improve their economic security over time, making more women confident consumers of financial products, including superannuation.

Providing information and support to women at critical decision-making points throughout their lives and promoting key behaviours will encourage greater financial wellbeing. These behaviours include building financial confidence through knowing where their money is spent, improving understanding of investment concepts and making a financial plan for the future.

Through this Budget, the Government will provide \$10 million in funding for initiatives to put women in control of their financial lives, now and in the future, as part of a \$50 million fund to promote the financial capabilities of Australian consumers. In addition, 45 and 65 Year online interactive checks, introduced as part of the More Choices for a Longer Life Package at a cost of \$3.3 million, will assist women to prepare their health, skills and finances, so they can plan ahead for a longer life.



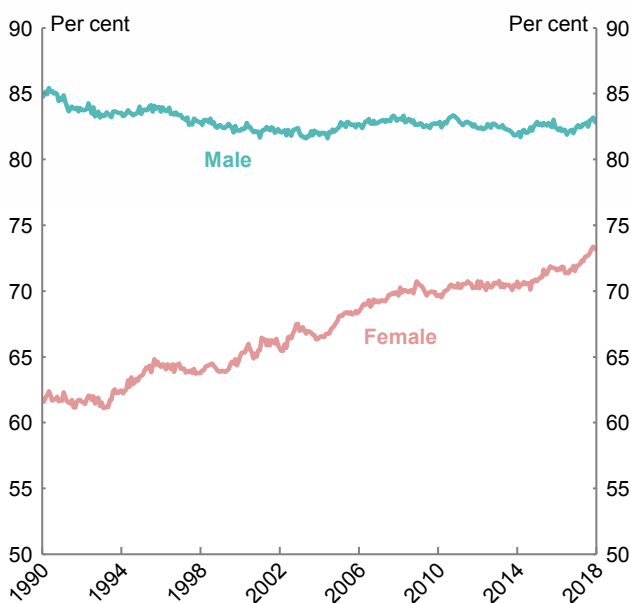
Achieving increased women’s workforce participation

Almost one million jobs have been added to the economy since September 2013 and significantly, 58 per cent of these jobs went to women.

Under Australia’s G20 presidency in 2014, leaders agreed to reduce the gender participation gap by 25 per cent by 2025 (known as the Brisbane goal). The Government’s roadmap, *Towards 2025: An Australian Government strategy to boost women’s workforce participation*, was released in July 2017. For Australia, this means decreasing the gap by three percentage points from 12.1 per cent (the 2012 starting point) to 9.1 per cent by 2025.

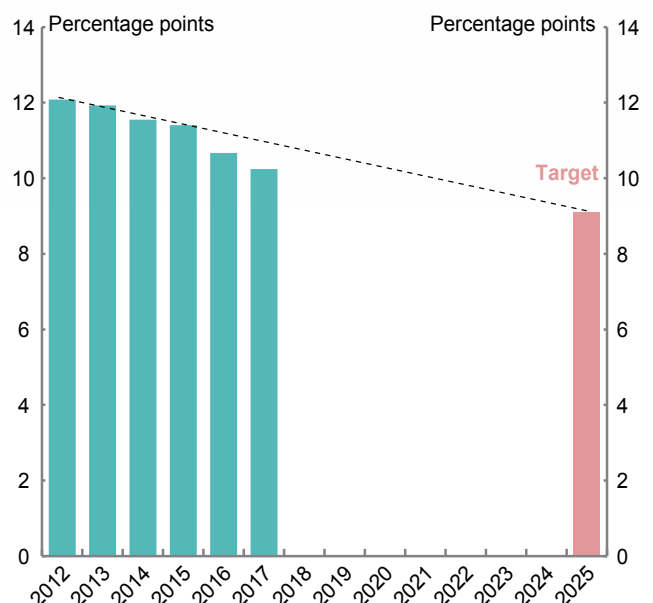
For women aged 15 to 64, Australia has made significant progress towards meeting the G20 goal. As at March 2018, the women’s participation rate for those aged 15 to 64 was 73.2 per cent, compared with the male participation rate for those aged 15 to 64 of 82.8 per cent. This means the gender participation rate gap was 9.7 percentage points — Australia is well on track to meet the Brisbane goal.

Chart 2: 1990-2018 male and female participation (15 to 64 years old)



Source: ABS cat. no. 6202.0.

Chart 3: Gap between male and female participation rate (15 to 64 years old)



Note: Gap calculated as the average difference between male and female participation rates in the 12 months to December each year.

Source: ABS cat. no. 6202.0.

Removing barriers to women taking up leadership roles

The Government has committed to a gender diversity target of women holding 50 per cent of Government board positions. As a result, by December 2017, women held 44.5 per cent of all Government board positions. Further, the recent appointment of the first female Secretary of the Department of Veterans' Affairs marks the first time gender parity has been reached in the ranks of the Secretaries in the Australian Public Service.

The Government is also working with business to increase women's leadership opportunities in the private sector, which is the largest employer of Australian women. The Government has invested over \$1 million in board scholarships for women through the Australian Institute of Company Directors, including specific initiatives that

will help Aboriginal and Torres Strait Islander and other culturally and linguistically diverse women, and women working in the disability sector. The Government's BoardLinks program connects Australia's leading women with opportunities to be considered for Australian Government board appointments.

The Government provides funding to six National Women's Alliances that represent almost 120 women's organisations, ensuring women's issues and a diversity of voices are represented in Australian Government decision-making and policy development. The Government has committed funding of \$5.1 million over three years to 2019-20 for the National Women's Alliances.



Economic security in retirement

The Government will help women to live prepared, healthy, independent and connected and safe lives so they can take advantage of the opportunities that a longer life brings.

The retirement income gap between women and men is driven by differences in earnings during their working lives, particularly as a result of breaks from the workforce or reduced working hours women experience due to caring responsibilities. The Government's focus on removing barriers to women's labour force participation helps them to earn higher incomes and, as a result, increase their retirement income.

The Government is helping to protect superannuation balances from undue erosion, which will enable women to make the most of their hard-earned superannuation savings. Certain fees will be capped at three per cent for accounts with balances less than \$6,000 (low balances); exit fees will be banned; insurance will only be offered on an opt-in basis for young members, inactive accounts, and low balance accounts; and the ATO will be given powers to reunite people's lost and low and inactive accounts with their active accounts where possible. In 2015-16 nearly 2 million women held low and inactive accounts.

The Government will expand the Pension Loans Scheme to give access to all retirees of Age Pension age, including maximum-rate age pensioners, as part of the More Choices for a Longer Life Package. This will give more older Australians greater choice and flexibility to meet their financial needs in retirement through release of their home equity.

These measures build on superannuation assistance provided by the Government in the 2016-17 Budget that enables women to have more control over their retirement savings — such as the Low Income Superannuation Tax Offset; catch-up superannuation contributions, especially for those who have had a break from the workforce; and tax-deductible personal superannuation contributions for women regardless of their employment circumstances.

The 2017-18 Budget measure, Reducing barriers to downsizing, enables older people to make contributions to their superannuation accounts when they sell to move to housing that better meets their needs.

